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ABSTRACT

This strategic plan for the University of Hawaii Community Colleges includes a contextual study, supported by data from the National Center for Public Policy and Higher Education (NCPPHE). Statistics include: (1) Hawaii ranked with the top states in high school completion (93%), but 18-24 year olds enrolling in college in the top states was 42%, as opposed to 37% in Hawaii; (2) 16% of Hawaii 8th graders scored at or above "proficient" in math, 19% in reading, and 15% in writing (the highest states scored 33% in math, 38% in reading, and 31% in writing); (3) state grant aid targeted to low-income families as a percent of Pell grant aid to low income families was 2% in Hawaii, compared with 106% for the top states; and (4) 40% of Hawaii's community college students returned for their second year, compared with 64% in the top states. This plan also reports on the National Center for Higher Education Management Systems (NCHEMS) funding analysis for the University of Hawaii System (UHS). Among those findings: UHS, relative to peers, is collectively underfunded by $117 to $137 million. System priorities addressed in this plan include promoting learning and teaching for student success, functioning as a seamless state system, promoting workforce and economic development, developing human resources, and creating an effective infrastructure to support student learning. Appended are numerous tables and charts detailing demographic and financial statistics. (NB)

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February 7, 2002

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S. Nakamoto

STRATEGIC PLAN UPDATE 2003 - 2007

Office of the Chancellor
University of Hawai`i Community Colleges
Honolulu, Hawai`i 96822
February 2002

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February 7, 2002

INTRODUCTION

In 1997, the UH Community Colleges completed work on a strategic plan that identified critical issues, established goals, and set the agenda for our system priorities. This plan, coupled with campus academic development plans, allowed us to focus our limited resources on our most important tasks. Over the past four years, we have made significant progress in each of the major areas we laid out for critical attention.

Yet, in the time since our last strategic plan was approved by the Board of Regents (BOR), significant changes have occurred in our communities, our state, and our country. There have been changes in our economy, changes in the expectations the community has for us, changes in our leadership, and changes in the nature of the opportunities and challenges that confront us. Responding quickly and intelligently to changes in our community has always been one of the hallmarks of the Community Colleges; maintaining a clear and focused strategic vision has been a central part of our response.

The University of Hawai`i Community Colleges' Strategic Plan focuses upon major developmental issues we perceive to be of great importance in shaping the future of our campuses, our faculty and staff, and our students. As such, our Strategic Plan serves as a guide to the acquisition and allocation of future energy and resources.

Our Strategic Plan is not a static entity, but rather is a process of continuous assessment, analysis, and goal setting. It is a process that must involve faculty and administration in a partnership to insure that critical issues be identified and a mutual commitment to the accomplishment shared goals and priorities be established. Although we currently have a BOR approved Plan (adopted in 1997), a number of new initiatives and opportunities require that we take time and update our systemwide strategic priorities.

The University of Hawai`i Community Colleges is one of the leading educational institutions in the Pacific and intends to continue that path in the 21st Century. However, with increasing complexity and interdependency of institutions in society, a clear and focused strategy is necessary to capitalize on the rapidly changing information and technological era. To meet the many needs, our Community Colleges have embarked on this ambitious effort to review, debate, create, and integrate the many planning directions and needs into a pro-active strategy.

The purpose of the Community College Strategic Plan is to provide the overall direction for the Community Colleges in the next four years, 2003-2007. Attention and action from all members of the Community College system are needed in order to implement this strategy and to not only meet the postsecondary goals of our citizenry, but also provide the leadership in helping Hawai`i's people better comprehend, act responsibly, and work productively in an increasingly complex world. The formulation of this strategy and the attainment of the goals set forth are critical if we are to retain and enhance the quality and credibility of Hawai`i's Community Colleges.

Joyce S. Tsunoda
Senior Vice President, University of Hawai`i and
Chancellor for Community Colleges

THE STRATEGIC PLANNING PROCESS

In looking at our Strategic Plan, we focused our attention on identifying our priorities and strategies for the next 4 years, and build upon a number of established processes and products in place that help identify UHCC system directions. These included:

- The 1996 UH Mission Statement
- The 1997 - 2007 UHCC Strategic Plan
- The 2000 University Strategic Plan for Information Technology
- The 2001 WASC-ACCJC Accreditation UHCC System Visiting Team Report
- The outcomes of Community Colleges Council of Faculty Senate Chairs and Executive Staff planning retreats
- The outcomes of the UHCC student leaders planning discussions
- The outcomes of campus planning activities

The UHCC strategic priorities planning process was a multi-step, iterative process that involved activities at both the individual campuses and the UHCC system. While some parts of the process may have appeared duplicative, they were necessary to assure widespread involvement from among all campus and UHCC system constituencies.

The UHCC strategic priorities planning process was led by a steering committee comprised of the UHCC Executive Staff, the Community Colleges Council of Faculty Senate Chairs, and Student Government President (or their designated representative) from each campus. The members are:

Sandra Sakaguchi, Provost Hawai`i CC
Mary Goya, Senate Chair, Hawai`i CC
Monotui Fuiava, Student, Hawai`i CC
Ramsey Pedersen, Provost, Honolulu CC
Jerry Saviano, Senate Chair, Honolulu CC
Noel Griffiths, Student, Honolulu CC
John Morton, Provost, Kapi`olani CC
Neghin Modavi, Senate Chair, Kapi`olani CC
Michael Wun, Student, Kapi`olani CC
Peggy Cha, Provost, Kaua`i CC
Carmella Tamme, Senate Chair, Kaua`i CC
Casey Codianne, Student, Kaua`i CC
Mark Silliman, Provost, Leeward CC
James Goodman, Senate Chair, Leeward CC
Jeffrey Galicinao, Student, Leeward CC
flo wiger, Interim Provost, Maui CC
Marge Kelm, Senate Chair, Maui CC
Patty Walker, Student, Maui CC
Angela Meixell, Interim Provost, Windward CC
Charles Whitten, Senate Chair, Windward CC
Tiffany VanderLinden-Dozier, Student, Windward CC
Sandy Okazaki, Asst. St. Director, ETC
Judy Guffey, Senate Chair, ETC
Kathy Jaycox, Director, K-16 Partnerships
Leon Richards, Director, International Issues
Dan Ishii, Vice Chancellor, Student and Community Affairs
Michael Rota, Vice Chancellor, Academic Affairs
Michael Unebasami, Vice Chancellor, Administrative Affairs

I. PHILOSOPHY AND MISSION

The University of Hawai'i Community Colleges as a unit has a set of core values which influences and guides the fundamental decisions, attitudes, and behavior of its members. These core values are to be communicated throughout all levels of the Community Colleges, practiced daily by management, faculty, and staff, and fulfilled without compromise in their application. These values will provide the cohesion, consistency, and inspiration for members to serve our students and communities:

- **Access** - We are the "Open Door" to higher education for all members of the community who can benefit from such opportunities. To provide that access, we must be affordable, adaptable and flexible.

- **Community-Based** – We are responsive to the needs of our unique communities, and we are partners in defining and answering those needs. We are of our communities, not just in them.

- **Focus on Learning and Teaching** - We are student-centered, building communities one life at a time. We meet the students where they are. We are innovative in delivery method, innovative in supporting non-traditional students, and accountable for student outcomes.

- **Focus on Workforce and Economic Development** – We are active partners with industry, secondary and elementary education, and community agencies in developing a well-trained, effective workforce for the state and promoting economic development.

As a reflection of this philosophy, the Community Colleges were established by State law in 1965 as an integral part of the University of Hawai'i. As stated in the 1996 University of Hawai'i Mission adopted by the Board of Regents in 1996:

> The UH Community Colleges enable the University of Hawai'i system to meet its mission mandate of putting postsecondary education within the reach of every resident who wants and can benefit from it. As open-door, low-tuition institutions, they offer state residents access through seven degree-granting campuses, affiliated outreach centers, and a flexible, short-term, workforce training center.
>
> Opportunity is afforded those who can benefit and either have completed high school or are 18 years of age. For some, community college classes are the first step toward a baccalaureate or postgraduate degree; for others, they provide training or retraining in skills tailored to Hawai'i's job market. The nature and extent of the opportunity provided by the UH Community Colleges are conditioned by the desire, commitment, and preparation that prospective students bring to their postsecondary education endeavors.
>
> The instructional, scholarship, and service missions of the Community Colleges are inseparable. Presenting knowledge through effective teaching is a special strength. This requires scholarship that focuses on the instructional enterprise, ensuring that students are prepared for advanced baccalaureate work, employment,

and/or job upgrading. Achieving this outcome, while providing for students' personal enrichment, is the fundamental service mission of the UH Community Colleges.

The array of academic, technical, and occupational subjects offered by the University of Hawai'i Community College system of campuses is comprehensive. The system offers liberal arts and sciences instruction leading to baccalaureate degrees, career and occupational programs, developmental academic instruction, continuing education, public and community service programming, workforce development training, and related support services. In addition, as part of the larger University of Hawai'i system, the Community Colleges facilitate the planning, scheduling, and delivery of baccalaureate and graduate degree programs throughout the state.

Within the context of the overall mission of the University of Hawai'i, the Community Colleges, as the major provider of undergraduate education, have as their special mission:

- To broaden access to post-secondary education in Hawai'i by providing open-door opportunities for students to enter quality educational programs within their own communities.

- To specialize in the effective teaching of remedial/developmental education, general education, and other introductory liberal arts, pre-professional, and selected baccalaureate courses and programs.

- To provide the trained workforce needed by the State, by offering occupational, technical, and professional courses and programs which both prepare students for immediate employment and career advancement.

- To provide opportunities for personal enrichment, occupational upgrading, and career mobility through credit and non-credit courses and activities.

- To contribute to and stimulate the cultural and intellectual life of the community by providing a forum for the discussion of ideas; by providing leadership, knowledge, problem-solving skills, and general informational services; and by providing opportunities for community members to develop their creativity and appreciate the creative endeavors of others.

II. THE PLANNING CONTEXT

As our community's colleges, we must be attentive and responsive to major issues that will affect the nature of who we serve, the type of programs and services we must provide, and sources of support to provide the resources needed to serve the people of Hawai'i. In addition, we must be alert to internal operational issues that impact our ability to function effectively and efficiently. This section focuses upon a number of important issues, both external and internal, that will need our attention over the next several years.

SIGNIFICANT EXTERNAL ISSUES

GLOBAL AND NATIONAL ISSUES

Several of the major global and national trends of particular relevance to the Community Colleges are noted below:

- **Economic** - The world economy is becoming more international. The rules of competition appear to be overtaken by the advantages of technology, human resource management, and resource strategy in the global economy. People now insist on products that are low cost, very high quality, and innovative. Whether from Japan, Germany, the United States, or Mexico, the net result of this powerful transformation is that the United States industry and business are de-layering, restructuring, retraining employees, and teaching them new skills as well as basic math, science, reading, and thinking--to improve productivity and total quality.

- **Social** - There is a looming threat from changes in the nature of our U.S. society. The traditional family of a working husband, a wife at home, and two children now represents only 6% of the American families. The rise of the single parent family, poverty among children, teenage pregnancy, crime, and the growth of an underclass are strong social forces requiring attention by government, the private sector, universities, and citizens.

- **Political** - There will be declining federal support for programs related to education and training. What support there is will most likely come in the form of block grants to the states. This will result in greater flexibility in the design and delivery of programs and services, but will require the establishment of new resource allocation and accountability processes to demonstrate effectiveness, and the development of new sources of support, including private foundations.

- **Educational** - Profound changes are causing a reexamination of the fundamental nature of education in the U.S. The leadership of this country has placed increasing emphasis upon the quality and effectiveness of education. The business community has experienced the need to participate in the preparation of students for jobs and careers. Means of success and excellence of students are shifting toward the ability to self-manage and deal with change; rather than resting on past laurels, self-evaluation of the system is needed to maintain global leadership in education; and, the need for multi-cultural education has become a necessity for our students to compete in both the global environment and the increasingly culturally diverse U.S..

- **Technological** - In addition to a shift from an agricultural/industrial economy to a services oriented economy, the U.S. is placing increasing emphasis on the use of telecommunications and Internet technologies in all sectors of the economy. The quest for global competitiveness also relies on the effectiveness of U.S. to enhance research and development and the rapid application of state-of-the-art technology. The deployment of broadband Internet access will make massive information and education resources available on demand almost anywhere in the world.

STATE AND LOCAL ISSUES

As the community's colleges, we are focused upon not only providing education and training that responds to established and emerging needs of our State, but also in providing leadership in the design and delivery of high quality programs, exemplary teaching and demonstrated student learning. While we are attentive to global and national trends and stress their relationship to Hawai`i's future well being, our primary goal is to meet the educational needs, expectations, and aspirations of our local communities.

Our communities are in a state of transition; our traditional economic mainstays have dramatically changed over the past fifteen years, and for the past eight years, our economy has shown little growth. While this as been a very difficult period in our economy, and resulted in declining State's financial support for higher education, it also has promoted efforts to stimulate and diversify our economic base.

- **Economic** - Major changes in Hawai`i's economy and workplace have resulted in a transformation in the kind of skills and knowledge one needs to be successful. Employment conditions today require skills which are in many cases not evident in today's island labor market. The paradox is that while our rate of unemployment has remained at historic levels over the past six years, there are often many high paying skilled jobs going unfilled.

- **Workplace** - The dramatic changes in Hawai`i's economic environment have been matched by changes in the workplace. Workplace "re-engineering," coupled with workforce downsizing, has put great demands on remaining workers to become more skilled and more productive.

- **Education** - Improving the quality of public K-12 education is still one of the top issues of community concern. While a number of efforts have been initiated, such as school-community based governance, charter schools, student performance standards, student assessment, etc.; national measures of student performance have significantly lagged community and employer expectations.

- **Political** - State financial support for the University has declined from 14% of the State Budget in 1985 to 9% in 2000. A decade of budget reductions has placed us well behind other states in our expenditures per full-time-equivalent (FTE) student. A national study conducted by the Educational Commission of the States reported that our $3,696 per FTE student (including fringe benefits) is the lowest among the 50 states.

- **Emerging Opportunities** -To diversify the economy it is essential to build upon Hawai`i's strategic competitive advantages. These advantages include: culture, location, and geography. Our rich Asian and Pacific cultural heritage and population provide us with ready entree to developing economies in the region. Our location can allow us to play a role in educating and training people from throughout Asia and the Pacific. Our geography provides us with unique physical advantages. For example, our mountains, ocean, and relative isolation from the continental U.S. provide a natural laboratory for agriculture; the biological sciences;

oceanographic, atmospheric, and astronomical research; and the economic product development, education, and training that can evolve from these activities. There are a number of areas of economic potential that can be pursued with the right mix of "cutting-edge" education and training programs in place. These include: Biotechnology, Information/Telecommunications Technologies, Transportation, Health Care, Environmental Technologies, Visitor Industry/Culinary Arts.

- **Decline in the UHCC "Going Rate"** - Over the past decade there have been significant changes in Hawai'i's workforce; change in the mix of low-skilled and high-skilled job; an absolute increase in the number technical, professional and managerial jobs in the State; and increased availability of new education and training opportunities developed in response to these changes. However, there has been a decline in the student "Going Rate" from the public high schools to the Community Colleges.

COMMUNITY ASSESSMENT

- **Measuring up 2000 - The State-by-State Report Card for Higher Education**

The National Center for Public Policy and Higher Education is an independent, nonprofit, nonpartisan organization. It was established in 1998 to stimulate effective public policy through research, analysis and more inclusive and robust public conversation about higher education's role in American society. In 2000, the Center published a report, *Measuring Up 2000.*

Measuring Up 2000 offers systematic state-by-state comparisons of performance to the residents of each state, particularly to those responsible for forming public policy. In this first edition, we focus on education and training beyond high school and through the bachelor's degree. These are the functions of higher education in which state responsibilities and resources are most deeply vested, and for which systematic methods for comparison and evaluation are least adequate. The following are the highlights of the Hawai'i report, the specific performance measures are detailed in Appendix B.

- **Preparation**. A very high percentage of Hawaii's young adults earn a high school diploma or a General Education Development (GED) diploma by age 24. However, the state's 8th graders perform very poorly on national assessments of math, reading and writing, indicating that they are not being prepared for challenging high school coursework. Also, low proportions of 11th and 12th graders perform well on college entrance exams.

- **Participation** A large percentage of Hawaii's students go on to college immediately after high school, and a high proportion of young adults (ages 18 to 24) are enrolled in education or training beyond high school. But a fairly low percentage of the state's working-age adults (ages 25 to 44) are enrolled in college-level education or training.

- **Affordability**. Hawaii requires families to devote a relatively large share of family income, even after financial aid, to attend its public two- and four-year colleges and universities, which enroll 75% of the state's students. Hawaii makes almost no investment in need-based financial aid.

- **Completion.** A high proportion of freshmen at Hawaii's public and private four-year colleges and universities return for their sophomore year. But a small proportion of first-time, full-time college students receive a bachelor's degree within five years of enrolling. Only a fair proportion of students complete certificates and degrees relative to the number enrolled.

- **Benefits**. Only a fair proportion of Hawaii's residents have a bachelor's degree and this impairs the state economically. The state also receives only fair civic benefits from its population, as measured by the percentage of residents who vote.

SIGNIFICANT INTERNAL ISSUES

STUDENT DEMAND

- **Credit Enrollment** - Between 1989 and 1994, enrollment grew about 18% to 27,120. Since 1994, severe budget cuts resulted in fewer opportunities for students to enter the community colleges and enrollment decreased by nearly 4% in 1995, and 5% in 1996. A significant portion of this decline can be attributed to our no longer counting adult basic level remedial students as regular credit students, and the change in welfare regulations that forced individuals to work rather than continue their education. Enrollment increased in Fall 2001to approximately 25,000 students.

- **Educational Level** - Between 1990 and 1992, the number of freshmen increased to nearly 17,300 or 66% of total enrollment. During the same period, sophomore enrollment declined to about 5,200, 20% of total enrollment. An increased emphasis on student retention issues resulted in a significant growth in sophomore enrollment through 1996, where it peaked at 9,220 students (36% of total). We have been able to maintain sophomore enrollment at about 34% through Fall 2001. The fall 2001 enrollment increase was the result of increased unclassified and freshmen registrations.

- Non-Credit Registrations - Non-credit student registrations have had some decline in the mid-1990s as more private sector training providers entered the Hawai`i market, particularly in the computers and computer software areas, and the slowdown in construction that resulted in fewer apprentice enrollments. However, there has been strong enrollment growth over the past several years. This increased enrollment has generated significant additional tuition and fees revenues. This is also a potential source for increased future revenues. The Community Colleges account for nearly 70% of the total University non-credit registrations.

- **Student Ethnicity** - Part of the Community Colleges' role in meeting the goals of access and student learning success has been to provide opportunities to individuals previously under-represented in higher education. In Hawai`i, that has included Hawaiians and Filipinos. A concerted effort in dealing with identifying and removing barriers to minority student enrollment, retention and learning success in the late 1980s appears to be having success. Between 1990 and 2001, Hawaiian and Filipino student enrollment increased significantly with Filipino students now representing the largest ethnic group in the Community Colleges.

OPERATIONAL EFFICIENCY

- **SSH per FTE Faculty** - The ratio of Student Semester Hours (SSH) to FTE Faculty, which increased steadily in both liberal arts and vocational programs between1990 and 1995, has been declining for the past six years. In Fall 2000, the system average stood at 246 SSH per FTE faculty member, the same level it was in 1990.

- **Percent of Small Classes** - The percent of small classes (fewer than 10 students) declined dramatically from 1991 through 1994. However, since 1995, the percent of small classes being offered has been steadily increasing. In Fall 2000, the percent for Arts & Sciences classes was at 5% and occupational technical was at 16%.

- **Average Class Size** - Increased class enrollment ceilings in selected classes and programs have allowed more student registrations in fewer classes, thus increasing average class size in our occupational/technical programs. Between Fall 1991 and Fall 1998, average class size in occupational programs increased from 16 to 18 (12.5%), and in Arts & Sciences courses from 22 to 25 (13.6%). Average class size has been declining since 1999. In Fall 2001, the average for Arts & Sciences was 23 and occupational was 16.

LEARNER OUTCOMES

- **Degrees Awarded** - Despite the decline in student enrollment since 1994, the number of degrees awarded overall has increased significantly over the past ten years. The number of liberal arts degrees awarded increased 31% between 1990 and 2000, while the number of vocational degrees and certificates awarded increased by 15% during that same period.

- **Transfers** - One of the major functions of the community colleges is to prepare students for transfer to baccalaureate level programs. In 1995, 1,217 new students at UH Hilo, UH Mānoa and UH West Oahu were transfers from the Community Colleges. In 2000, this number stood at 936, a 23% reduction from 1995.

- **Preparation for Transfer** - Since Fall 1992, surveys of Community Colleges' graduates and leavers have been conducted at the conclusion of each semester. These surveys have included students from all campuses and all programs. Fall 2000 graduates and leavers were asked how well the education and training they received prepared them for their new college. Approximately 92% of the students who had transferred to another college indicated that they believed they were prepared to meet the expectations of their new college.

- **Preparation for Work** - In the Fall 2000 graduate and leaver surveys, former students were asked to indicate how well the education and training they received prepared them for their current jobs. Approximately 89% of the respondents to the question indicated that they believed they were prepared to meet the requirements of their current job. However, more than 10% responded that they felt poorly prepared. Vocational education students employed in a job closely related to their study were the most satisfied.

ORGANIZATIONAL AND RESOURCE ISSUES

- **Staffing and Organization** - Between 1995 and 2000, total UHCC staffing increased from 1,473 FTE to 1,581 FTE an increase of 7.3%. These increases included 91 FTE Administrative Professional Technical (APT)/Civil Service, 11 faculty, and 6 Executive &Managerial (E&M). All of this growth took place at the campuses; staff assigned to UHCC administration (system office) declined by about 13 FTE During that same period.

- **Revenues** - Between FY 1997 and FY 2002, revenues increased 23% from $102.4M to $133.2M. However, there were significant shifts in the sources of those revenues. General Fund revenues declined from 61% of revenues in FY 1997 to 54% in FY 2002. Tuition and fees revenues (including non-credit) increased from 22% in FY 1997 to 27% in FY 2002, and contract and grant revenues increased from 14% of revenues to 17% during the same period.

- **Expenditures** - The UHCC expenditure pattern remained steady between FY 1997 and FY 2001. The dollars spent on Instruction and Public Services held steady at 55% of total expenditures, but

increased in absolute terms from $68M in FY 1997 to $78.9M in FY 2001. The proportion of other expenditures also remained the same: Academic Support 11%, Student Services 10%, and Institutional Support 14%.

INSTITUTIONAL ASSESSMENT

Over the past few years, there have been a number of external reviews and analyses that have identified significant issues that affect our ability to deliver quality education. These have included our most recent WASC re-accreditation (2000), the University Strategic Plan for Information Technology (2000), Measuring Up 2000 - The State-by-State Report card for Higher Education (2000), and the NCHEMS UH Financing Study (2000). Each of these studies has identified critical issues that we must deal with over the next four years.

- **WASC Accreditation**

  Each campus of the University of Hawai'i Community Colleges is separately accredited by the Western Association of Schools and Colleges - Accrediting Commission for Community and Junior Colleges (WASC - ACCJC). ACCJC policy calls for all its member colleges to conduct an in-depth evaluation and assessment, including a visit by a team of external evaluators at least once every six years, to maintain its accreditation. Nearly twenty years ago, the Community Colleges and the ACCJC jointly agreed to a process that has all seven campuses evaluated simultaneously and an informal assessment of the functioning of the UHCC as a system. The in-depth evaluations result in reports that recommend specific actions to be undertaken by the time of the next accreditation visit.

  In Fall 2000, the UHCC campuses were evaluated by seven accreditation teams, the chairs of whom served as an eighth team to assess the functioning of the system. The team chairs developed fourteen recommendations tied to the standards and based not only on interviews with system staff, but on information gleaned from the visits to the colleges. The recommendations fall under the following five major themes:

  - **Research and Planning**: Though the system has made impressive gains over the past six years despite the bleak financial picture, more remains to be done. The Program Health Indicators can be broadened to include all programs, not just vocational ones. The newly decentralized institutional research model needs additional attention to fully realize its potential to inform decisions at the system and college levels. A system-wide database awaits development, especially in light of the delays the primary vendor had been experiencing. In a word, the promise is there, but much needs to be done before the benefits can be seen.

  - **Student Assessment and Placement**: Systemwide tools for assessing student competence and proper placement also await refinement and implementation, especially for the growing number of students who attend more than one college, students who attend either in a traditional way or through the increasing availability of distance education.

  - **Staff Development**: One underlying theme of this report is the growing need to reassert the needs for staff development. Sadly, one of the main victims of financial retrenchment was the system's staff development program. The current budget is one-tenth of the budget in the late 1980's. However, the need for staff development, given the accelerated pace of change this past decade, has only increased. The system is urged to continue developing low-cost, creative alternatives to address its staff development budget, to seek sources of private giving, and to establish programs for staff development in technology, new institutional research databases, revised accounting methods, and so forth.

- **Financial Support for Capital and Other Needs**: Other victims of the recent retrenchment were the system's maintenance, repair, and capital development funds. Yet despite a growing backlog of maintenance and repair, new facilities have been constructed, unfortunately without adequate support for the on-going costs associated with expanded facilities and services. Likewise, though the system has emphasized entrepreneurship and the search for revenues outside of those provided by the Governor and the legislature, the results are uneven among the colleges and the policy and procedures, including accounting procedures, are not yet developed.

- **System Governance**: As a "system within a system," the UHCC continuously faces the threat of becoming buried within the larger UH structure. Despite the near universal respect accorded to the Senior Vice President/Chancellor and her colleagues, the Board of Regents needs to always protect the integrity of the system within the larger University. The Board of Regent's Community College Subcommittee is a primary vehicle for maintaining the system's identity and integrity, and it should be maintained and strengthened. In addition, the Board of Regents should address its own procedure of self-evaluation in order to enhance its performance in carrying out its role.

■ UH Strategic Plan for Information Technology 2000

The following are relevant portions extracted from the approved UH Strategic Plan for Information Technology 2000,

This plan is designed to build on the University's successes and remedy its deficiencies within the new institutional environment that has emerged over past several years of financial constraint. The most fundamental changes at the University are the result of the new financial relationship between the University and the State as the University now retains its tuition and struggles with the complex issues of implementing greater autonomy. Individual units must incorporate this revenue stream into their financial planning and, as a result, entrepreneurship is more critically required and highly valued. Students are increasingly viewed as important customers in the University's new economy. The University is no longer subject to the State Procurement Code for purchasing and has been given greater flexibility across most administrative areas. The University System is seeking a new set of equilibria that balance the unique missions and characteristics of each campus with the need for systemwide collaboration to provide improved service to a statewide student population in a cost-effective manner.

- **Teaching, Learning and Students**: The University will effectively use technology to extend its instructional activities throughout the State and beyond, while applying technology to improve the quality of instruction and services delivered to students both on and off campus.
  - Enhance Instructional Technology Support
  - Upgrade Classroom Technology
  - Assess / Enhance Campus Information Technology Labs
  - Connect Student Housing
  - Address Student Access Issues
  - Expand Technical Infrastructure for Distance Learning
  - Develop Policies that Support Teaching with Technology

- **Administrative Services:** Modern administrative information systems will provide every member and customer of the University community with integrated access to appropriate administrative information and services in a reduced paper environment.
  - Develop Integrated Access to Administrative Services
  - Implement Integrated Data Warehouse

- **Space and Facilities:** All University campuses and facilities will be information technology friendly, with a reliable modern technical infrastructure equipped for services appropriate to their use.
  - Develop, Apply and Maintain Construction Standards
  - Construct ITS Building at Manoa

- **Faculty and Staff Support:** The University community will be able to use information technologies appropriately and effectively with the assistance of an able and committed information technology support staff.
- Provide Staff with Up-to-Date Networked Computers
  - Increase Technical Support Staff
  - Increase Professional Development Opportunities
  - Improve HR Practices for IT Professionals

NCHEMS

Analysis of UHS Financing

Additional Revenues to Reach Institutional Peer Medians

	Unadjusted	CGI Adjusted
UH Manoa	$36,963,000	$87,830,000
UH Hilo	-	-
UHCC	$25,784,000	$29,425,000

- **Information Technology Management and Funding:** The University will effectively manage the converging and rapidly advancing technologies of computing and communications across the University system and at each campus or college by employing sound fiscal practices.
- Reinvigorate IT Advisory Committees and IT Planning
  - Budget IT Costs as Ongoing Operational Expenses

The most critical action is the last one, that the University implement funding mechanisms to treat all aspects of information technology as recurring costs that include stable budgets for computers, software, maintenance, training and replacement of obsolete technology on a regularly scheduled basis.

■ NCHEMS - Funding Analysis of the University of Hawai`i System

Since 1980, the National Center for Higher Education Management Systems (NCHEMS) has been active in assisting states and national agencies to develop effective approaches to policy in the areas of governance, assessment and accountability, and in directed resource allocation. Work in these areas has included joint projects with such agencies as the Education Commission of the States, the National Governors' Association, the National Conference of State Legislatures, the National Center for Education Statistics of the U.S. Department of Education, and under contract to a range of individual states and multicampus systems.

In the Spring 2000, NCHEMS was contracted to evaluate the financing of the University relative to its various peer institutions across the country. A published a report of its analysis of the funding of the University as compared with similar institutions made the following observations:

- Resources per FTE student are at the lowest point since 1980
- UHS, relative to peers, is collectively under funded by $117-$137 million.
- The levels of under funding are proportionally higher at most of the CCs
- Four-year campuses get relatively more funding from the state and less from tuition than their peer. The reverse is true for the Community Colleges. It should be noted that this pattern is counter to that normally found. More typical are patterns in which students contribute a greater share at four-year institutions and a lesser share at two-year institutions.
- Hawaii institutions receive far less revenues from sources other than tuition and state appropriations than peer institutions. This is true regardless of peer groups used as the basis of comparison and is for all campuses.
- The funding gap to be filled cannot be acquired from a single source; revenues will have to be increased from all sources if the gap is to be closed.
- It is appropriate to address the structural problem reflected in the high System Support Index number for the state. In simple terms, this means establishing University of Hawaii System policy that has the net effect of funneling future growth to places less expensive to operate than Manoa.

III. PLANNING ASSUMPTIONS

EXTERNAL ISSUES

- The Hawai`i population will continue to grow approximately 1% per year through out the planning period.
- The number of Hawai`i public school graduates will continue to increase approximately 2-3% per year during the scope of the planning period.
- The changes in the Hawai`i economy and workforce resulting in a reduction of low-skilled jobs and the increase in technical and professional employment will continue over the duration of this planning period.
- Although there are a growing number of jobs in Hawai`i requiring education at the baccalaureate level and beyond, the majority of jobs will require some education and training beyond high school, but not at the baccalaureate level.
- With the appropriate mix of Community Colleges programs and services, an increasing number of new high school graduates will choose to continue their education at the Community Colleges. This should result in enrollment increases of 3-4% per year over the next 4 to 6 years.
- The Community Colleges will continue to benefit from strong and informed community interest, involvement, and support for the development of the Community Colleges.
- The visitor industry and related retail sales and services, and will continue to be the mainstays of the Hawai`i economy.
- Community and employer expectations regarding our graduates will continue to increase. These expectations include:
  - Program graduates who are literate and can communicate
  - Program graduates who know standard industry practices
  - Program graduates with "Real World" experience
  - Program Graduates with "Soft Skills" as detailed in the SCANS competencies
  - Administrators, faculty and curricula that are able to change to meet new industry requirements
  - Student certifications that meet established industry standards and that are transportable.
- The total State General Fund support available to the Community Colleges will remain substantial. A weak economy and growing competition for State funds will constrain State support in the near term, but the State's commitment to public higher education, coupled with institutional accountability, will improve the Community Colleges's General Fund base in the long run.
- The Community Colleges must expand non-General Fund sources of financial support if we are to have sufficient resources to meet our strategic goals.

- With the advent of satellite and interactive television, personal computers, and the Internet, much of what was once restricted to taking place in a classroom on campus can be delivered anywhere in the world at the convenience of the learner. The growing use of these technologies and the sharp drop in their cost will increased the public's demand for greater access to postsecondary education and increase competition from other education and training providers.

- Rapidly changing technologies, particularly those related to telecommunications and the Internet, will provide access to a rapidly growing array of information resources and educational programs in Hawai`i from around the world.

- Changes in the federal and state welfare statutes and requirements will cause an increasing number of individuals to seek programs and services designed to improve their employability.

- As significant changes continue to take place in the workplace, an increasing number of individuals will seek opportunities for further education. This will include not only individuals employed in the visitor industry and related services, but also professionals such as teachers, health care providers, social service providers, etc.

- Providing residents with the opportunity to enroll in programs that lead to employment in the State will continue to be a high priority for the Community Colleges

- A growing health and wellness industry in Hawai`i along with an aging population will result in increased demand for instruction in related health programs.

INTERNAL ISSUES

- Student expectations as to the education and support services will continue to increase. These include:
  - Able to build upon their previous education and training
  - Able to transfer smoothly between campuses offering the same programs without having to repeat courses
  - Employable in a job related to their education and training
  - Able to meet established industry certification requirements upon graduation
  - Able to work and meet other family obligations while continuing their education
  - Able to enroll, register, and complete other institutional transactions as efficiently as possible
  - Enroll in classes taught by faculty who are qualified and well-prepared.
  - Having classes conducted in suitable facilities, with the equipment necessary to prepare students with essential skills and knowledge.
  - Having timely access to appropriate support services, including:
    - Financial Aid and Scholarships
    - Library Services
    - Tutorial Support
    - Computer Services
    - Advising and Counseling
    - Child care

- Increased professional development opportunities for faculty and staff in the Community Colleges is a critical element in providing quality programs and services.

- Regular coordination among the Community Colleges and all campuses of the University of Hawai`i in the delivery of programs will provide greater opportunities for the residents of Hawai`i.

- Promoting partnerships with business, industry, government, and other educational entities will make maximum use of limited resources.

- A regular, systematic review of community postsecondary education needs and appropriate program modifications will assure efficient use of limited resources.

- The current location of the University Center in Kealakekua, and the lack of adequate facilities and infrastructure will continue to hamper the delivery of quality programs and the growth of student enrollment in West Hawai`i.

IV. UHCC PRIORITIES 2003 - 2007

Access is the single most important goal for the Community Colleges. As reflected in the public policy, mandated by Act 39, SLH 1964, it is the distinct responsibility of the University of Hawai'i Community Colleges to provide access to quality educational services to the residents of Hawai'i and to do so at relatively low tuition levels. Accordingly, through seven degree-granting campuses, affiliated University Centers on Maui, Kauai, and West Hawai'i, and the Employment Training Center, we collectively serve approximately 25,000 degree seeking students each semester (54% of the total University of Hawai'i headcount enrollment) and offer non-credit, short-term offerings, accounting for 73,700 annual registrations (67% of the total University of Hawai'i annual non-credit registrations).

The Association of American Colleges and Universities (AAC&U), through its Greater Expectations National Panel recently stated,

> America is rapidly moving toward universal higher education, and this is indeed an achievement worth celebrating. Since a college degree has become a virtual necessity for success in our knowledge-based society, the dramatic increase in college attendance extends to many new groups the potential for a richer, more fulfilling personal and civic life. We need, therefore, to determine how best to prepare all students for life in this 21st century and what the answer implies for college learning. Our recent national policy of providing access for all to higher education has opened the doors of college to diverse students of every age. However, too many matriculants either drop out of college or complete degrees that, oddly, leave them, unprepared for a career, family life, and citizenship in our complex work.....the Greater Expectations National Panel ....calls for Greater Expectations for student achievement based on two central principles: *everyone is capable of high levels of achievement if we teach well and every individual and organization responsible for education should work to enable all students to learn.*

The overall strategy for the Community Colleges for the next four years, 2003-2007 is to provide total quality education. This means that each member of the Community Colleges will provide quality work and quality services at all times in working with students and the community. Total quality education means that the programs we offer, how we deal with others, how we promote ourselves will be of high quality and professional standards. Total quality education also means that classrooms will be clean, safe, and amply lighted for conducting learning; laboratories will have good equipment and supplies for instruction; and that the overall learning environment and infrastructure will be well-maintained and enhanced. More specifically, total quality education means that:

- We will continue to put the needs of students first - Our students are the reason we exist. As that unit of the University of Hawai'i system responsible for extending the opportunity for postsecondary education throughout the State, we have drawn a diverse and changing population of students. Their changing requirements demand that we regularly assess the suitability of the curriculum, the modes of delivery, and the services we offer to the community, and make modifications in line with the community's evolving needs and expectations.

- We will work to insure that the pursuit of excellence permeates all levels of the Community Colleges - As we work to provide total quality education, we must be certain that all members of the Community Colleges family are involved in the effort. Providing total quality education and services is the responsibility of all students, faculty, support staff, and administrators and efforts to set goals and expectations, to acquire resources, to plan and deliver staff development, and to assess our progress should involve individuals from throughout the Community Colleges.

- We are committed to providing service to the State of Hawai`i - with a campus or outreach center on each of the major islands in the State, the Community Colleges are in a unique position of being responsible for providing access to postsecondary education for the majority of the residents of Hawai`i. Whether serving in the role of providing education and training to meet the growing demand for skilled workers, serving as centers for educational opportunity and personal development, providing access to upper-division and graduate instruction — particularly on the neighbor islands, responding to the growing requests for job-upgrade training, or other services related to our mission, the Community Colleges will continue to address the diverse needs of the State of Hawai`i.

- We will build upon Hawaii's unique multi-cultural environment and geographic location to develop an international flavor - the Community Colleges have become recognized nationally as a leader in the field of international education, through our efforts in curriculum development and productive relationships with our institutional counterparts in Asia and the Pacific. We will work to extend these efforts by involving more faculty, staff, and students in international activities.

The directions set forth in this plan will provide a framework for program actions, resource allocation (and reallocation), budget requests , external funding requests, and Capital Improvement Projects (CIP) requests necessary to retain and enhance the quality and credibility of Hawai`i's Community Colleges.

A. Promote Learning and Teaching for Student Success

- Increase the success rate of underprepared students by designing and delivering more effective programs and services.
  - As a system, set a high priority to the allocation of required resource into and to assess the effectiveness of college preparation programs and services.
  - Design and deliver a remedial/developmental education program that incorporates a holistic approach in meeting identified student needs.
- Increase student retention rates by, both term-to-term and year-to-year, by offering improved programs and services.
  - To develop a UHCC system-wide AA degree with specified and assessable standard and competency-based learning outcomes.
  - Offer a more diverse array of programs in areas where there is demonstrated student demand and/or employment growth.
  - Systemwide marketing and branding, coupled with campus-based marketing, collectively might augment recruitment efforts.
  - Replace the existing tuition waiver system with a State funded tuition assistance program for needy students. An alternative to seeking State funding to the tuition assistance program might be to identify "priority status" for selected groups with special needs.
- Promote our role in international education and globalization through the design and delivery of program and support services

- As a system priority develop state-of-the-art education programs including recruiting international students, study abroad for local students and quality curriculum development that prepares students for a global age.

- Provide support for native Hawaiian program and students.

  - As a priority replace reliance on Federal funding for Native Hawaiian programs and students.

- Provide specialized support and counseling to increasing special needs students.

  - Develop the infrastructure (system-wide) to support students with special needs through the hire of professionally trained personnel who service the entire UHCC system. (e.g. diagnosis of LD, sign-language, etc.).

B. Function as a Seamless State System

- Develop and implement an articulation policy that accepts the decisions of individual campuses in the matter of designating courses as core.

- Increase the "going rate" of Hawai`i public high school graduates from its current level to 30% by Fall 2005.

- Develop and implement a collaborative curriculum and class scheduling process utilizing faculty and staff from across all areas within the UH system.

- Develop and implement a student information system to facilitate: 1) ease of student enrollment across campuses; and 2) tracking student outcomes to provide feedback to individual campuses and faculty.

- Heavily promote the collaboration between the Hawai`i Department of Education and the UH system in various areas, such as Running Start, remediation, curricular articulation, and preparation/certification of teachers and educational assistants.

- Promote acceptance by baccalaureate campuses of the Associate in Arts (AA) degree from the CC's and acceptance of the individual courses within the AA.

- Develop transportable financial aid options across the UH system; eg., work-study, scholarships

C. Promote Workforce and Economic Development

- Respond quickly with education and training to meet emerging economic opportunities.

  Workforce development requires the Community Colleges to assess economic and technological trends, anticipate changing environments, and develop education and training based upon a combination of new and existing training capacity. Coordination with Workforce Investment Boards, Economic Development Boards, the State Department of Business, Economic Development and Tourism, Office of State Planning, County Economic Development Agencies,

Chambers of Commerce, Business Roundtable chapters, professional industry associations, community organizations, and K-12 schools ensures proper targeting of programs.

- Utilize technologies and coordinated services to enhance the ability to respond to emerging opportunities. This includes the use of distance education and web enhanced technologies for classroom and on site training

- Develop a searchable non-credit website that informs employers and students of the training courses available on each campus and system-wide. Expand the cooperative inter-campus Pacific Center for Advanced Technology Training (PCATT) model to all non-credit offerings to market training and courses as a system.

- Training incentives. Incentives to encourage and support training should be reinvigorated. Either Employment Training Fund (FTE)-based funding by the legislature, tax credit incentives, or special taxes (such as the ETF) will increase individual and business ability to train and retrain.

- Develop K-12 partnerships to expand the availability of advanced technical education, tech prep curriculum, workplace internships and mentoring, Running Start programming, middle colleges, skills centers, and the sharing of educational data and information to promote the creation of a high school graduate ready to move into advanced career education.

■ Respond quickly to the changing workforce requirements of the State and local communities.

Community Colleges are often "first responders" working closely with business development interests to identify and support the training needs of new and transitioning businesses. The colleges will develop new rapid response approaches to supporting economic growth opportunities for Hawai'i's economy. Customized, focused, timely training programs are necessary to support economic development initiatives and opportunities. Programming may be short-term, non-credit training for initial startup or take the form of new or modified degree-based curricula for long-term career paths. The Colleges will provide flexible training and education options to meet new business and industry requirements.

Coordinate regular contact and consultation with businesses and industry to determine how to change and modify curriculum to meet industry needs. A system of consolidating, sharing, and developing information from the various advisory committees across campuses should be developed.

- Create a working team with other agencies and community players to identify and focus training in emerging areas. Develop joint strategies to provide resources necessary for on demand training and timely response to needs, such as the pooling of resources and the coordination of outreach.

- Faculty should be given the opportunity and support to develop non-credit training courses through specific allocations of assigned time and or mini-grants through the UHCC Offices of Continuing Education and Training to encourage faculty to develop course work to meet industry needs.

- Create a "faculty in industry" program to allow faculty to intern in industry on a regular, rotatable basis to keep current in technological advancements and industry stands and practices.

■ Develop strategic partnerships with selected businesses, industries, and postsecondary education and training providers.

The integration of state-of-the-art technology into the curriculum is enhanced through strategic partnerships and alliances. The pace at which knowledge and technical content is accelerated necessitates access to information to keep programs on the cutting edge and meet industry needs. The Community Colleges will continue to develop partnerships and alliances with businesses, industry, and postsecondary training providers to maintain access and integration to state of the art curricula and technologies to enhance the productivity and competitiveness of Hawai'i's businesses.

The dawn of the "Pacific Century" will create new opportunities for colleges to develop into unique institutions building upon their academic and technical expertise. Hawai'i can become more of a Pacific Rim training center serving the needs of businesses, governments, and educational organizations from the Asia Pacific region. Corporate and educational alliances can create a new type of enterprise – hybrid training entities created to meet a specific need.

- Job placement, internship, coop staff. Expand activities and support for faculty/staff members whose responsibilities are to develop job placement, internship, and co-op education opportunities for students.

- Consolidate and focus training and contract relationships in specific fields for the system. Establish specialized organizations to respond to specific industry needs; i.e., PCATT, Culinary Institute, Pacific Aerospace Training Center, etc.

- Collaborate with sister institutions (i.e., University of North Dakota in Aerospace), corporate information technology and program providers (i.e., Cisco, ACT, Microsoft, etc.), manufacturers (automotive companies, aircraft product groups), businesses (tourism industry, airlines, etc.), and union trainers (apprenticeship) to strengthen our role as the premier provider of workforce training in Hawai'i and the Pacific Rim.

- Establish international business training ties through corporate, governmental, and institutional collaborations throughout the Pacific Rim in areas of specialization.

■ Offer selected baccalaureate degrees to meet changing community educational needs.

Community Colleges are uniquely positioned to offer select degrees in technical fields based upon competency and skill standards. The industry relationships created in selected areas allow for assessments of need and curriculum design to meet local employment requirement and integrate with national skill and certification standards. Niche fields exist in areas such as culinary, health services, biotechnology, information technology and telecommunications, early childhood education, aviation, construction management, and public service programs such as fire

science and administration of justice.

Niche degrees will be created to develop the skills in specific levels, i.e., the education of future employees trained at the technician level of their fields who support the engineer; the medical technician and caregiver who supports the medical doctor, etc. The community colleges will fill a need similar to that of state universities geared to career education while utilizing existing associates degree programs as the foundation for a 2+2 degree relationship.

- Establish the need for new baccalaureate programs in support of workforce specializations. Research demand, emerging potential, managerial, accreditation, fiscal and physical resource, and personnel issues associated with such offerings. Utilize industry, community, student, and system discussion and participation.

- Create a campus climate of understanding of the role of a "hapa" (2+4 year degrees) institution at each campus seeking program expansion to the baccalaureate level.

- Identify specific programs need for economic development and create implementation plans. Integrate planning with state and industry economic development plans, noting the need to create specialized niches of economic diversification.

- Negotiate whether collaborative efforts with existing baccalaureate degree granting campuses are more appropriate than seeking degrees in specific fields.

- Seek program approval from the UH Board of Regents and funding from the legislature and private sector.

D. Develop Our Human Resources: Recruitment, Retention, and Renewal

- Improve our ability to recruit qualified and experienced new faculty and staff by providing broader recruitment and relocation assistance.

- Bring faculty salary compensation up to a level comparable to the 80th percentile of public two-year institutions on the American Association of University Professors annual faculty compensation survey by July 2005.

- Increase opportunities for professional development by budgeting 3% of personnel costs by 2007 in annual increments beginning in 2003.

- Reduce the faculty standard teaching load to 12 credits per semester by July 2006.

E. Develop an Effective Infrastructure to Support Student Learning

- Implement a new student information system by Fall 2003.

- System prioritization of necessary improvements based on studied need. To be reviewed by constituent representatives from each campus.

- Implement the recommendations of the *UH Strategic Plan for Information Technology 2000* by Fall 2005.

- Maintain course offering decisions by Distance Education committee; expend distance education AA degrees; standardize faculty compensation for distance education courses; and improve coordination and central organization by Fall 2003.

- Provide tax incentive for private companies to build and rent sufficient student housing to meet anticipated demand.

V. RESOURCE REQUIREMENTS

Access is the single most important goal for the Community Colleges. However, continuing to fulfill this public policy mission of open door access within the finite limits of the State's fiscal resources will continue to challenge us. Access for the community would be a hollow concept without adequate programs and services designed to meet changing needs of the students and the community. This is particularly critical in the area of workforce development. Over the past decade there have been major changes in the State's economy, changes in the mix of high-skilled and low-skilled jobs, and changes in employers' expectations of skills and knowledge people should bring to the workplace. The Community Colleges have been at the forefront of responding to these changes by eliminating low demand programs and reallocating resources to develop new programs, equip facilities, retrain faculty, and respond to employer's requests for retraining their workforce. We will continue with this approach to meet the changing needs of our communities, but our current fiscal environment makes this an increasingly difficult challenge.

In concert with the strategic priorities detailed in this plan, the Community Colleges will continue efforts to reduce costs, improve operational efficiency, and increase revenue-generating capabilities to provide quality educational and training programs to meet public demand for services. However, a decade of budget reductions has placed us well behind other states in our expenditures per FTE student. A national study conducted by the Educational Commission of the States in 2001 reported that our expenditure per FTE student is the lowest among the 50 states. In a separate study conducted by the National Center for Higher Education Management Systems (NCHEMS) in 2001, it was reported that in FY 1998, the Community Colleges were funded at a level that was $26.5M to $38M below our peer institutions when adjusted for cost of living. This funding shortfall makes it particularly difficult to provide an adequate level of student, academic, and institutional support services, essential to promote student success.

We are committed to work to close the funding gap identified in the 2001 NCHEMS funding study, and recognize it will be necessary to pursue a multi-dimensional strategy to accomplish this goal. This will require that we:

- optimize our tuition revenues;
- increase our revenue flow from customized training;
- increase our revenue flow from gifts, sales and services, and other entrepreneurial activities;
- increase our contract and grant funding initiatives; and
- continue to seek appropriate State funding support, including possibly a scholarship program for needy students.

All of these steps are essential if we are to maintain a reasonable tuition and preserve student access.

To accomplish the priorities detailed in Section IV, it will be necessary for us to focus the resources detailed below if we expect them to be accomplished over the next 4-6 years:

A. Promote Learning and Teaching for Student Success

<Insert additional requirements necessary to accomplish listed priorities>

B. Function as a Seamless State System

<Insert additional requirements necessary to accomplish listed priorities>

C. Promote Workforce and Economic Development

<Insert additional requirements necessary to accomplish listed priorities>

D. Develop Our Human Resources: Recruitment, Retention, and Renewal

<Insert additional requirements necessary to accomplish listed priorities>

E. Develop an Effective Infrastructure to Support Student Learning

<Insert additional requirements necessary to accomplish listed priorities>

APPENDIX A

THE HAWAI`I PLANNING CONTEXT

THE HAWAI`I PLANNING CONTEXT

STATE AND LOCAL ISSUES

As our community's colleges, we must be attentive and responsive to major issues that will affect the nature of who we serve, the type of programs and services we must provide, and sources of support to provide the resources needed to serve the people of Hawai`i.

Our communities are in a state of transition; our traditional economic mainstays have dramatically changed over the past fifteen years, and for the past eight years, our economy has shown little growth. While this as been a very difficult period in our economy, and resulted in declining State's financial support for higher education, it also has promoted efforts to stimulate and diversify our economic base.

- **Economic** - Major changes in Hawai`i's economy and workplace have resulted in a transformation in the kind of skills and knowledge one need to be successful. Employment conditions today require skills which are in many cases not evident in today's island labor market. The paradox is that while our rate of unemployment has remained at historic levels over the past six years, there are often many high paying jobs going unfilled.

  In today's economy, plantation agriculture has declined significantly in terms of acreage, production, and economic value (Figure 1). In contrast, visitor expenditures grew from $2.875 billion in 1980 to $10.279 billion in 1999 (State Data Book 2000).

  Major Hawai`i Export Revenues

  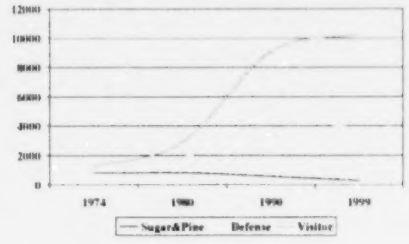

  Figure 1

  The spectacular increase in visitor expenditures has transformed the Hawai`i labor market. Service industry job growth has been dramatic. Employment in services has grown from 48,310 in 1970 to 183,400 in 2000, and wholesale and retail trade employment has grown from 61,044 to 136,950. During this same period, agricultural employment decreased from 12,572 or 4.4 % of the civilian workforce in 1970 to 7,850 or 1.4% of the workforce in 2000 (State Data Book 2000).

  It is important to note that while our major growth sector since 1970 has been the Service Industry, many of the jobs produced during that period required individuals with significant specialized education and training beyond high school. These jobs included: professionals such as those in health, education, and technical fields; managers and administrators; clerical and administrative support specialists; audit and financial specialists; etc. In addition, between 1969 and 1999, self employment grew from 47,012 to 133,430, nearly 20% of the Hawai`i workforce.

- **Workplace** - The dramatic change in Hawai`i's economic environment have been matched by changes in the workplace. Workplace "re-engineering." coupled with workforce downsizing, has put great demands on remaining workers to become more skilled and more productive.

    - *A More Competitive Environment* - The opening of major national chain retailers such as WalMart, K-Mart, COSTCO, Macey's, Sports Authority, etc. have been major factors in the changing retail sales environment.
    - *Adoption of New Technologies* - Over the past fifteen years, development of the computer microprocessor and personal computers have transformed many of the tools and practices in the workplace. The personal computer and its accompanying software applications have become essential components of the new jobs in our transforming economy.
    - *Focus on Productivity* - Hawai`i's economy was productive in the past because it had a population whose education and training matched the requirements and expectations of its major industries, agriculture and defense. However, as the mix of industries and required skills have changed, the education and training providers have not yet been able to produce enough individuals with the new skills and knowledge necessary to meet current market demand. A significant decline in external investment has resulted in sharply reduced economic growth since 1990. Given the sharp decline in the level of capital available to support continued development, taking steps to improve worker productivity appears to be a critical element in revitalizing Hawai`i's economy.

- **Education** - Improving the quality of public K-12 education is still one of the top issues of community concern. While a number of efforts have been initiated, such as school-community based governance, charter schools, student performance standards, student assessment, etc.; national measures of student performance have significantly lagged community and employer expectations.

A recent national state-by-state assessment, *Measuring Up 2000*, reported (Figure 2) that while we have high school graduation rates that mirror the top performing states, students' academic performance falls well behind the leaders. The result is, a great many adults need to improve their basic literacy skills to be successful either continuing their education, or in the changing Hawai`i workplace.

MEASURING UP 2000 Preparation

Criteria	Top States	Hawai`i (C)
18- to 24-year-olds with a high school credential	93%	93%
8th graders scoring at or above "proficient" on the national assessment exam		
in math	33%	16%
in reading	38%	19%
in writing	31%	16%
Low-income 8th graders scoring at or above "proficient" on the national assessment exam in math	19%	7%

Figure 2

- **Political** - State financial support for the University has declined from 14% of the State Budget in 1985 to 9% in 2000. A decade of budget reductions has placed us well behind other states in our expenditures per FTE student. A national study conducted by the Educational Commission of the States reported (Figure 3) that our $3,696 per FTE student (including fringe benefits) is the lowest among the 50 states.

CCs Annual Expenditure Per FTE Student – 1998-99

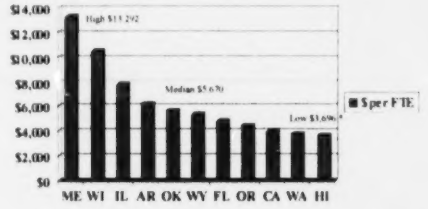

Figure 3

Historically, Hawai`i has promoted student access to postsecondary education by maintaining a low tuition at the community colleges. When looking at the issue of affordability, the *Measuring Up 2000* report give Hawai`i a grade of "C-" (figure 4). This grade was attributable to the level of the cost of attendance at the community colleges and the low level of State grant-in-aid for low income families.

In 1995, State law changed allowing the University to keep its tuition; the General Fund appropriation was reduced by a similar amount. In addition, legislatively set tuition waivers became the responsibility of the University to be funded from tuition. While this policy change may have been an appropriate device to encourage the baccalaureate campuses to increase their tuition, taken together these actions have made it extremely difficult for the community colleges to provide tuition assistance to students with demonstrated financial need. Although increases in student tuition have softened the impact of the budget reductions, we have probably reached the limit of our ability to maintain access to students with low or moderate incomes.

MEASURING UP 2000 Affordability

Criteria	Top States	Hawai`i (C-)
Percent of income needed to pay for college expenses minus financial aid at community colleges	17%	22%
State grant aid targeted to low-income families as a percent of federal Pell Grant aid to low-income families	106%	2%
Share of income that poorest families need to pay for tuition at lowest priced colleges	9%	10%

Figure 4

- **Emerging Opportunities** -To diversify the economy it is essential to build upon Hawai`i's strategic competitive advantages. These advantages include: culture, location, and geography. Our rich Asian and Pacific cultural heritage and population provide us with ready entre to developing economies in the region. Our location can allow us to play a role in educating and training people from throughout Asia and the Pacific. Our geography provides us with unique physical advantages. For example, our mountains, ocean, and relative isolation from the continental U.S. provide a natural laboratory for agriculture; the biological sciences; oceanographic, atmospheric, and astronomical research; and the economic product development, education, and training that can evolve from these activities. There are a number of areas of economic potential that can be pursued with the right mix of "cutting-edge" education and training programs in place. These include: Biotechnology, Information/Telecommunications

Technologies, Transportation, Health Care, Environmental Technologies, Visitor Industry/Culinary Arts.

- **Decline in the UHCC "Going Rate"** - Over the past decade there have been significant changes in Hawai`i's workforce; change in the mix of low-skilled and high-skilled job; an absolute increase in the number technical, professional and managerial jobs in the State; and increased availability of new education and training opportunities developed in response to these changes. However, there has been a decline in the student "Going Rate" from the public high schools to the Community Colleges.

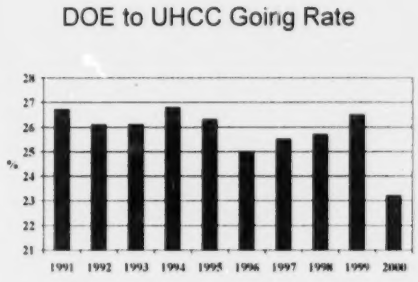

Figure 5

Significant Internal Issues

STUDENT DEMAND

- **Credit Enrollment** - Between 1989 and 1994, enrollment grew about 18% to 27,120. Since 1994, severe budget cuts resulted in fewer opportunities for students to enter the community colleges and enrollment decreased by nearly 4% in 1995, and 5% in 1996. A significant portion of this decline can be attributed to our no longer counting adult basic level remedial students as regular credit students, and the change in welfare regulations that forced individuals to work rather than continue their education. Enrollment increased in Fall 2001to approximately 25,000 students.

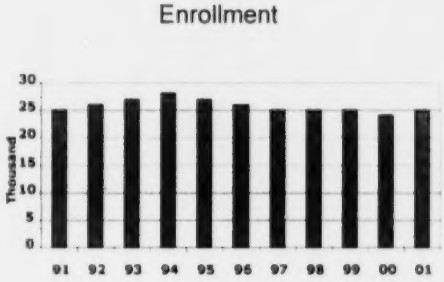

Figure 6

- **Educational Level** - Between 1990 and 1992, the number of freshman increased to nearly 17,300 or 66% of total enrollment. During the same period, sophomore enrollment declined to about 5,200 20% of total enrollment. An increased emphasis on student retention issues resulted in a significant growth in sophomore enrollment through 1996, where it peaked at 9,220 students (36% of total). We have been able to maintain sophomore enrollment at about 34% through Fall 2001. The fall 2001

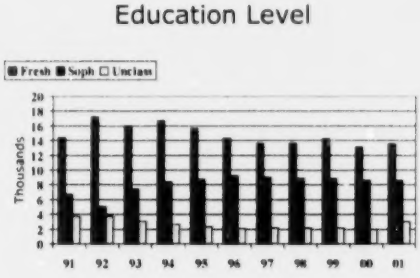

Figure 7

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enrollment increase was the result of increased unclassified and freshmen registrations.

- **Non-Credit Registrations** - Non-credit student registrations have had some decline in the mid-1990s as more private sector training providers entered the Hawai`i market, particularly in the computers and computer software areas, and the slowdown in construction that resulted in fewer apprentice enrollments. However, there has been strong enrollment growth over the past several years. This increased enrollment has generated significant additional tuition and fees revenues. This is also a potential source for increased future revenues. The Community Colleges account for nearly 70% of the total University non-credit registrations.

Annual Non-Credit Registrations

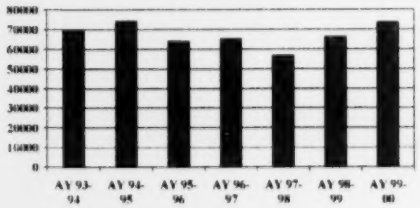

Figure 8

- **Student Ethnicity** - Part of the Community Colleges role in meeting the goal of access has been to provide opportunities to individuals previously under-represented in higher education. In Hawai`i, that has included Hawaiians and Filipinos. A concerted effort in dealing with identifying and removing barriers to minority student enrollment, retention and success in the late 1980s appears to be having success. Between 1990 and 2001, Hawaiian and Filipino student enrollment increased significantly with Filipino students now representing the largest ethnic group in the Community Colleges.

Student Ethnicity

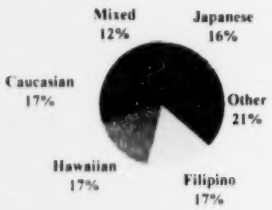

Figure 9

OPERATIONAL EFFICIENCY

- **SSH per FTE Faculty** - The ratio of Student Semester Hours to FTE Faculty, which increased steadily in both liberal arts and vocational programs between1990 and 1995, has been declining for the past six years. In Fall 2000, the system average stood at 246 SSH per FTE faculty member, the same level it was in 1990.

SSH per FTE Faculty

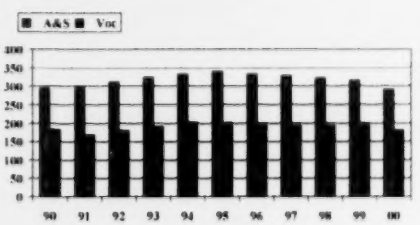

Figure 10

- **Percent of Small Classes** - The percent of small classes (fewer than 10 students) declined dramatically from 1991 through 1994. However, since 1995, the percent of small classes being offered has been steadily increasing. In Fall 2000, the percent for Arts & Sciences classes was at 5% and occupational technical was at 16%.

Percent of Small Classes

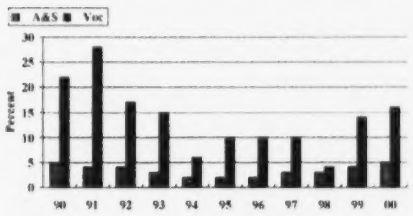

Figure 11

- **Average Class Size** - Increased class enrollment ceilings in selected classes and programs have allowed more student registrations in fewer classes, thus increasing average class size in our occupational/technical programs. Between Fall 1991 and Fall 1998, average class size in vocational programs increased from 16 to 18 (12.5%), and in Arts & Sciences courses from 22 to 25 (13.6%). Average class size has been declining since 1999. In Fall 2001, the average for Arts & Sciences was 23 and occupational was 16.

Average Class Size

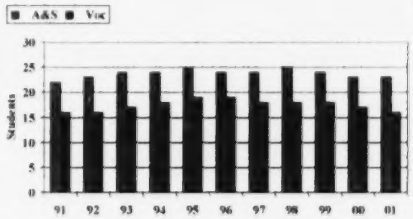

Figure 12

LEARNER OUTCOMES

- **Degrees Awarded** - Despite the decline in student enrollment since 1994, the number of degrees awarded overall has increased significantly over the past ten years. The number of liberal arts degrees awarded increased 31% between 1990 and 2000, while the number of vocational degrees and certificates awarded increased by 15% during that same period.

Degrees Awarded

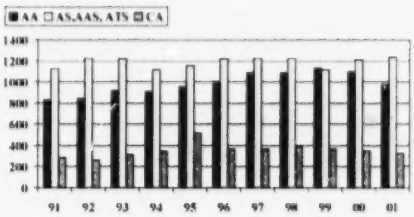

Figure 13

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- **Transfers** - One of the major functions of the community colleges is to prepare students for transfer to baccalaureate level programs. In 1995, 1,217 new students at UH Hilo, UH M noa and UH West Oahu were transfers from the Community Colleges. In 2000, this number stood at 936, a 23% reduction from 1995.

Transfer to UH 4-year Campus

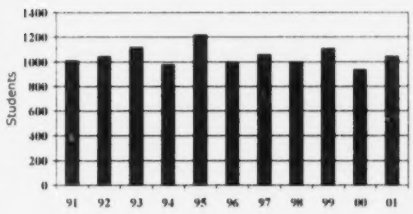

Figure 14

- **Preparation for Transfer** - Since Fall 1992, surveys of community college graduates and leavers have been conducted at the conclusion of each semester. These surveys have included students from all campuses and all programs. Fall 2000 graduates and leavers were asked how well the education and training they received prepared them for their new college. Approximately 92% of the students who had transferred to another college indicated that they believed they were prepared to meet the expectations of their new college.

Preparation for Transfer

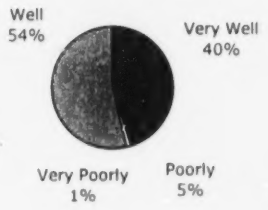

Figure 15

- **Preparation for Work** -In the Fall 2000 graduate and leaver surveys, former students were asked to indicate how well the education and training they received prepared them for their current jobs. Approximately 89% of the respondents to the question indicated that they believed they were prepared to meet the requirements of their current job. However, more than 10% responded that they felt poorly prepared. Vocational education students employed in a job closely related to their study were the most satisfied.

Preparation for Work

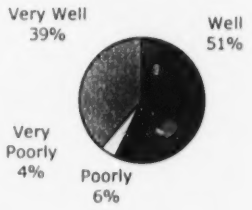

Figure 16

ORGANIZATIONAL AND FINANCIAL ISSUES

- **Staffing and Organization** - Between 1995 and 2000, total UHCC staffing increased from 1,473 FTE to 1,581 FTE an increase of 7.3%. These increases included 91 FTE APT/Civil Service, 11 faculty, and 6 E&Ms. All of this growth took place at the campuses; staff assigned to UHCC administration (system office) declined by about 13 FTE During that same period. At all UHCC campuses except Windward and Honolulu faculty FTE counts increased - Reductions at Windward and Honolulu modest, but on percentage basis Windward cuts were significant (from 49.0 to 45.2 FTE).

UHCC Staffing and Organization

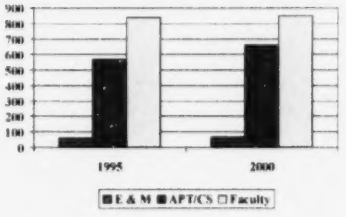

Figure 17

- **Revenues** - Between FY 1997 and FY 2002, revenues increased 23% from $102.4M to $133.2M. However, there were significant shifts in the sources of those revenues. General Fund revenues declined from 61% of revenues in FY 1997 to 54% in FY 2002. Tuition and fees revenues (including non-credit) increased from 22% in FY 1997 to 27% in FY 2002 , and contract and grant revenues increased from 14% of revenues to 17% during the same period.

UHCC Revenues

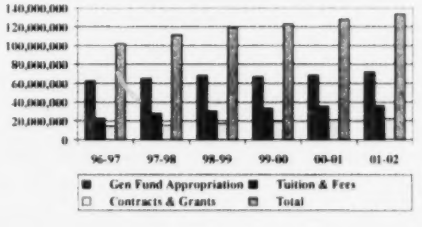

Figure 18

- **Expenditures** - The UHCC expenditure pattern remained steady between FY 1997 and FY 2001. The dollars spent on Instruction and Public Services held steady at 55% of total expenditures, but increased in absolute terms from $68M in FY 1997 to $78.9M in FY 2001. The proportion of other expenditures also remained the same: Academic Support 11%, Student Services 10%, and Institutional Support 14%.

UHCC Expenditures

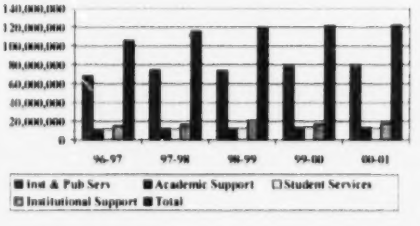

Figure 19

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APPENDIX B

MEASURING UP 2000
The Hawai`i Report Card

HAWAII

PREPARATION — C

HIGH SCHOOL COMPLETION (20%)	Hawaii	Top States
18- to 24-year-olds with a high school credential	93%	93%
K–12 COURSE TAKING (40%)		
9th to 12th graders taking at least one upper-level math course	n/a	59%
9th to 12th graders taking at least one upper-level science course	n/a	37%
8th grade students taking algebra	n/a	28%
K–12 STUDENT ACHIEVEMENT (40%)		
8th graders scoring at or above "proficient" on the national assessment exam:		
in math	16%	33%
in reading	19%	38%
in writing	15%	31%
Low-income 8th graders scoring at or above "proficient" on the national assessment exam in math	7%	19%
Number of scores in the top 20% nationally on SAT/ACT college entrance exam per 1,000 high school graduates	126	192
Number of scores that are 3 or higher on an Advanced Placement subject test per 1,000 high school juniors and seniors	108	159

Gaps in Data: Data are unavailable for Hawaii on how many high school students take upper-level math and science, as well as on 8th grade enrollments in algebra, because the state declined to participate in national surveys.

PARTICIPATION — B–

YOUNG ADULTS (60%)	Hawaii	Top States
High school freshmen enrolling in college within 4 years in any state	46%	54%
18- to 24-year-olds enrolling in college	37%	42%
WORKING-AGE ADULTS (40%)		
25- to 44-year-olds enrolled part-time in some type of postsecondary education	3.3%	4.7%

AFFORDABILITY — C–

FAMILY ABILITY TO PAY (50%)	Hawaii	Top States
Percent of income needed to pay for college expenses minus financial aid:		
at community colleges	22%	17%
at public 4-year colleges/universities	28%	19%
at private 4-year colleges/universities	50%	30%
STRATEGIES FOR AFFORDABILITY (40%)		
State grant aid targeted to low-income families as a percent of federal Pell Grant aid to low-income families	2%	106%
Share of income that poorest families need to pay for tuition at lowest priced colleges	10%	9%
RELIANCE ON LOANS (10%)		
Average loan amount that students borrow each year	$3,613	$3,094

Note: In the Affordability category the lower the figure, the better the performance for all indicators except for "State grant aid ... as a percent of federal Pell Grant aid."

COMPLETION — C

PERSISTENCE (20%)	Hawaii	Top States
1st year community college students returning their 2nd year	40%	64%
Freshmen at 4-year colleges/universities returning their sophomore year	76%	84%
COMPLETION (80%)		
First-time, full-time students completing a bachelor's degree within 5 years	42%	66%
Certificates, degrees and diplomas awarded at all colleges and universities per 100 undergraduate students	16	20

What's graded, what's not? *The blue tables on these pages provide the state's raw scores for the 50 indicators that are used to calculate all grades. These pages also display contextual information—provided outside the blue-shaded tables—that is not graded but that is useful in understanding performance.*

Need more information? *For an explanation of grading, see page 17. For source information about each indicator, see page 185. For more technical information, visit the website for Measuring Up at www.highereducation.org.*

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BENEFITS — C+

EDUCATIONAL ACHIEVEMENT (30%)	Hawaii	Top States
Population aged 25 to 65 with bachelor's degree or higher	26%	34%
ECONOMIC BENEFITS (25%)		
Increase in total personal income as a result of the percentage of the population holding a bachelor's degree	7%	11%
CIVIC BENEFITS (25%)		
Eligible residents voting in 1996 and 1998 national elections	46%	60%
Of those who itemize on federal income taxes, the percentage declaring charitable gifts	89%	93%
ADULT SKILL LEVELS (20%)		
Adults demonstrating high-level literacy skills:		
quantitative	n/a	28%
prose	n/a	28%
document	n/a	26%

Performance Gaps: This year, if all ethnic groups in Hawaii had the same educational attainment and earnings as whites, total personal income in the state would be $1.8 billion higher, and the state would realize an estimated $625 million in additional tax revenues.

Gaps in Data: Data are unavailable for Hawaii on adult high-level literacy skills because the state declined to participate in the national survey.

LEARNING — I

State Context

	Hawaii	State Rank
Population	1,185,497	42
Gross state product	$38,024,000,000	40

Note: Data are from 1998–99.

Leading Indicators

	Hawaii	U.S.
Projected % change in population 2000–2015	23.5%	12.9%
Projected % change in number of all high school graduates, 1998–2010	5.8%	9.5%
Projected budget surplus/shortfall by 2008	-15.1%	-3.8%
Average income of poorest 20% of population	$10,280	$10,005
Children in poverty (1995)	15.0%	21.0%
Percent of population with less than a high school diploma or equivalent	15.4%	16.0%
New economy index (1999)*	48.1	48.1

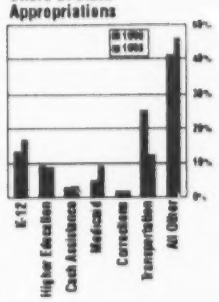
** This index, created by the Progressive Policy Institute, measures the extent to which a state is active and innovative based on industry. A higher score means increased participation.*
Note: Unless otherwise indicated, data are from 1998.

Facts and Figures

	Number/ Amount	Percent
Institutions of Postsecondary Education		
Public 4-year	3	
Public 2-year	7	
Private 4-year	7	
Private 2-year	3	
Students Enrolled by Institution Type		
Public 4-year	15,139	28%
Public 2-year	24,899	46%
Private 4-year	12,252	23%
Private 2-year	1,638	3%
Students Enrolled by Level		
Undergraduate	53,948	88%
Graduate	7,107	12%
Professional	459	1%
Enrollment Status of Students		
Full-time	35,895	58%
Part-time	25,629	42%
Net Migration of Students		
Positive numbers for net migration mean that more students are entering than leaving the state to attend college. Negative numbers reveal the reverse. (1998)	-417	
Average Tuition		
Public 4-year institutions	$2,788	
Public 2-year institutions	$956	
Private 4-year institutions	$6,800	
State and Local Appropriations for Higher Education		
Per $1,000 of personal income, FY 1999	$10	
Per capita, FY 1999	$268	
% change, FY 1990–1999, in constant dollars		23%

Note: Unless otherwise indicated, data are from 1997–98. Percentages might not add to 100 due to rounding.

Share of State Appropriations

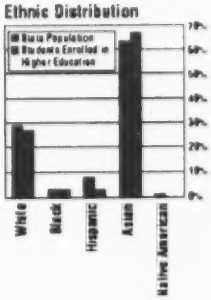


Public Satisfaction/Employer Satisfaction

Percent of State Residents Who Say:	Hawaii	U.S.
The state's public high schools do an excellent or good job preparing students for college. **(Preparation)**	29%	43%
There are many qualified people who don't have the opportunity to go to college in the state. **(Participation)**	64%	52%
The price of college is out of reach in the state. **(Affordability)**	19%	24%
Too many college students in the state are dropping out or taking too long to finish. **(Completion)**	39%	34%
Colleges contribute a lot to making their part of the state a better place to live and work. **(Benefits)**	22%	40%
A typical college graduate from the state has high levels of skills and knowledge. **(Learning)**	28%	38%
Employer Satisfaction:	**Hawaii**	**U.S.**
Percent of employers who are satisfied with how colleges and universities in their state are preparing students for work. **(Benefits)**	23%	46%

The public satisfaction survey was conducted by Public Agenda in 2000. The employer survey was conducted by the Census Bureau in 1997. Margin of error for public satisfaction survey: state samples, +/-7%; national sample, +/-3%. Margin of error for employer satisfaction survey, +/-6%.

Ethnic Distribution



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APPENDIX C

REVENUES AND EXPENDITURES
FY 1997 - FY 2007

University of Hawai`i Community Colleges
Revenues and Expenditures

	Actual						Projected*				
	1996-97	1997-98	1998-99	1999-2000	2000-01	2001-02	2002-03	2003-04	2004-05	2005-06	2006-07
Revenues**											
Gen Fund Appropriation	62,727,000	65,248,000	68,288,000	66,767,000	68,615,000	71,949,162					
Tuition & Fees	22,741,000	28,114,000	30,666,000	33,288,000	35,464,000	36,000,000					
Contracts & Grants	14,124,000	15,278,000	17,386,000	19,419,000	20,906,000	22,000,000					
Endowment Income	12,000	19,000	23,000	26,000	28,000	30,000					
Ed Services	2,584,000	2,737,000	2,857,000	3,194,000	2,876,000	3,000,000					
Other Funds	171,000	178,000	173,000	208,000	198,000	200,000					
Total	102,359,000	111,574,000	119,393,000	122,902,000	128,087,000	133,179,162					
Expenditures**											
Instruction	57,920,000	62,219,000	61,123,000	61,778,000	62,289,000	67,695,395					
Public Service	10,069,000	12,607,000	13,124,000	16,148,000	16,595,000	18,035,369					
Academic Support	11,332,000	12,319,000	12,151,000	13,136,000	13,171,000	14,314,181					
Student Services	11,394,000	12,342,000	12,750,000	13,641,000	12,800,000	13,910,980					
Institutional Support	14,701,000	16,552,000	20,804,000	16,977,000	17,688,000	19,223,236					
Total	105,416,000	116,039,000	119,952,000	121,680,000	122,543,000	133,179,162					

** w/o Auxiliary Services, Scholarships, O&M

U.S. Department of Education
Office of Educational Research and Improvement (OERI)
National Library of Education (NLE)
Educational Resources Information Center (ERIC)

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